

**Kalamazoo Public Library**  
*OFFICIAL MINUTES OF THE BOARD OF TRUSTEES*  
*REGULAR SESSION*  
Date: May 21, 2012  
Time: 4:00  
Location: Central Library Board Room

**TRUSTEE ROLE CALL:**

Present: Fenner Brown, Robert Brown, Lisa Godfrey, Cheryl TenBrink, James Vander Roest, and Valerie Wright.

Absent: Bruce Caple

**CALL TO ORDER:**

President Godfrey called the meeting to order at 4:00.

**AGENDA APPROVAL:**

The agenda was amended to switch the order of reports V. D. and V. E. The amended agenda was approved. A discussion item was added to the meeting following the closed executive session.

---

**I. RECOGNITIONS, RESOLUTIONS, COMMUNICATIONS**

**A. Resolution to Authorize a Public Hearing on the Proposed Budget for 2012-2013**

Recommendation: Director Rohrbaugh recommended the Board adopt the resolution authorizing a public hearing on the 2012/2013 budget.

Executive Summary: It is necessary to hold a public hearing on the proposed budget and publish notice of the hearing as detailed in the attached resolution to legally set the millage rate that supports the budget and allows the authorized property taxes to be collected for operation of the library.

MOTION:

J. VANDER ROEST MOVED AND V. WRIGHT SUPPORTED THE MOTION TO ADOPT THE RESOLUTION AUTHORIZING A PUBLIC HEARING ON THE 2012/2013 BUDGET.

**Roll Call Vote:** L. Godfrey—yes; J. Vander Roest—yes; R. Brown—yes; F. Brown—yes; C. TenBrink—yes; V. Wright—yes.

MOTION CARRIED 6-0.



**II. PERSONS REQUESTING TO ADDRESS THE BOARD**

No one addressed the Board.

**III. CONSENT CALENDAR**

**A. Minutes of the Board Meeting of April 23, 2012**

B. *Personnel Items* – None.

DISPOSITION: The Board accepted the Minutes of the Board Meeting for April 23, 2012.

**IV. FINANCIAL REPORT**

A. *Financial Reports for the Period Ending April 30, 2012.*

Recommendation: Director Rohrbaugh recommended the Board accept the Financial Reports for the period ending April 30, 2012.

MOTION:

R. BROWN MOVED AND F. BROWN SUPPORTED THE MOTION TO ACCEPT THE FINANCIAL REPORTS FOR THE PERIOD ENDING APRIL 30, 2012.

Discussion: Director Rohrbaugh drew attention to the final page of the financial report that came from the Kalamazoo Community Foundation. The regulations discussed in this document do not apply to the funds the Local History Room has with the Kalamazoo Community Foundation. The only funds which are affected by this regulation are those which are designated as “endowed”, of which the library’s are not.

MOTION CARRIED 6-0.



**V. REPORTS AND RECOMMENDATIONS**

RECOMMENDATIONS:

A. *Budgets*

Recommendations: Director Rohrbaugh recommended the Board take the following action by separate motions and votes:

1. Approve the “General Operating Fund – Close Estimate Budget Revision for FY 2011-2012”
2. Receive for review the “General Operating Fund – Preliminary Budget FY 2012-2013”
3. Approve the “Other Gifts & Grants Revised Close Estimate Budget for FY 2011-2012” and the “Other Gifts & Grants Preliminary Budget for FY 2012-2013”
4. Approve the “Capital Improvement Plan for the Three Years Ending June 30, 2014”

All of these budgets have been reviewed by the Finance and Budget Committee and come to the full Board with committee support for “approving” and “receiving” as outlined in the recommendation.

Executive Summary: “General Operating Fund – Close Estimate Budget Revision for FY 2011-2012” and “General Operating Fund – Preliminary Budget FY 2012-2013”

The Close Estimate Budget Revision for FY 2011-2012 is presented incorporating several adjustments necessary at year end. Revenue projects have been decreased by \$14,422 to adjust IFT/CFT Tax Revenue to current collection levels. Overall, expenditures have been decreased to recognize vacancies and the release of reserves in Salaries and Benefits, the adjustment of Supplies and Purchased Services for unexpected cost increases, and a \$25,000 increase in Other expenditures to accommodate the

unprecedented level of Michigan Tax Tribunal and local Board of Review tax refunds we have experienced this fiscal year. The total budget for tax refunds in the current year now totals \$225,000. The total impact of all adjustments to the ending Unassigned Fund Balance is a reduction of \$8,955.

The Preliminary Budget for fiscal year 2012-2013 is based upon taxable values declining by an average of 3.9% overall. There is some risk that this estimate is materially incorrect, but in the absence of the actual data or more solid information we are recommending the property tax revenue information as the “best available” information. All taxing units have predicted assessed values to decline from -4.7% for the City of Kalamazoo to -1.9% in Oshtemo Township.

Over that same time period, total operating expenditures are predicted to rise by \$476,685 – driven in part by the continuation of tax refunds (although budgeted at a “lower” level), the cost of energy and maintaining facilities, maintenance contract costs, and maintaining services. The library will continue to pay bond principal and interest payments on the single remaining bond issue. The Preliminary Budget also curtails the budgeted transfer to support the Capital Improvement Plan to a minimal level of \$50,000 for the initial budget, with the intent to supplement the support for capital improvements mid-year if financial conditions permit.

MOTION:

J. VANDER ROEST MOVED AND V. WRIGHT SUPPORTED THE MOTION TO APPROVE THE “GENERAL OPERATING FUND – CLOSE ESTIMATE BUDGET REVISION FOR FY 2011-2012” AND ACCEPT FOR REVIEW THE “GENERAL OPERATING FUND – PRELIMINARY BUDGET FY 2012-2013”

Discussion: Director Rohrbaugh stated that this year is continuing with the pattern set forth in previous years in which the these four budgets have been presented in May at which time three were accepted and the fourth was brought back in June for final approval. Much work has gone into the preliminary budget for the fiscal year 2012-2013 starting at the department level moving up through management before reviewing with the Board Finance and Budget Committee earlier in the month of May.

J. Vander Roest acknowledged the hard work D. Schiller and Director Rohrbaugh have put into making this budget work. He spoke for the Finance and Budget Committee saying they believed this budget is well crafted. Director Rohrbaugh acknowledged two worries regarding this preliminary budget. The first is that there is no funding of the Capital Improvement Plan within this budget. This will be addressed after the audit in the fall. The second is that there is the possibility that there will be a larger decrease in funding than estimated. (Note: After the adjournment of the Board Meeting, Director Rohrbaugh realized that the above was misstated. As stated in the “Executive Summary” above, \$50,000 is budgeted to support the Capital Improvement Plan in the preliminary budget.)

President Godfrey asked what the largest threat is in not funding the CIP. Director Rohrbaugh responded that this would delay building repairs and replacement of public computers. Director Rohrbaugh expressed the hope that this may be the final year of budget reductions. She reminded Board members that the library has been on a

carefully planned reduction over the previous years which has included a 10% reduction in staff, cutting the bookmobile and branch hours and dropping services. D. Schiller, answering a question posed by V. Wright, said the reduction the library is facing in the upcoming year is larger than those which they have experienced in previous years.

MOTION CARRIED 6-0. 

Executive Summary: “Other Gifts & Grants Revised Close Estimate Budget for FY 2011-2012” and the “Other Gifts & Grants Preliminary Budget for FY 2012-2013”

The Special Revenue Funds Budgets for fiscal year 2011-2012 and 2012-2013 have been updated to include the most recent round of Friends mini-grants and gifts received from the public for the purchase of materials. All other budgets included are the continuation of current programs to either their conclusion, or, as is the case with the Ready to Read book distribution, continuation of the Spelling Bee and the distribution of books to children through the caregiver network.

Due to the declining size of the special revenue funds in general, it is recommended that the budgets and accounting for all special revenue funds be consolidated within one fund with separate accounting for each program.

MOTION:

J. VANDER ROEST MOVED AND V. WRIGHT SUPPORTED THE MOTION TO APPROVE THE “OTHER GIFTS & GRANTS REVISED CLOSE ESTIMATE BUDGET FOR FY 2011-2012” AND THE “OTHER GIFTS & GRANTS PRELIMINARY BUDGET FOR FY 2012-2013”

MOTION CARRIED 6-0. 

Executive Summary: “Capital Improvement Plan for the Three Years Ending June 30, 2014”

The Capital Improvement Plan has shifted its three year budgeting window through June 30, 2014 with this revision. As a result, most of the variances presented are the result of dropping fiscal year 2010-2011 actual expenditures and adding estimates for fiscal year 2013-2014.

Recommended for approval in fiscal year 2012-2013 are monies to continue the normal pattern of computer replacements with the allocation of \$50,000, teen area gaming equipment, laptops for staff support, eye-wash stations for staff safety improvements, the restoration of the Washington Square exterior, and miscellaneous furniture expenditures for the IT staff area and Oshtemo auditorium. Several larger requests remain on “hold” until mid-year.

MOTION:

J. VANDER ROEST MOVED AND F. BROWN SUPPORTED THE MOTION TO APPROVE THE “CAPITAL IMPROVEMENT PLAN FOR THE THREE YEARS ENDING JUNE 30, 2014”

MOTION CARRIED 6-0. 

REPORTS:

B. *Action Plan and Organizational Competencies*

Presentation: Director Rohrbaugh presented a draft of the Action Plan and Organizational Competencies to Board members as assisting documents for review of the General Operating Fund Preliminary Budget for FY 2012-2013. The action items for the upcoming year are the framework for the development of the budget. Though this document is not yet in final form, the action items to be undertaken will not change. A final form will be published shortly and distributed to the Board members.

Discussion: President Godfrey and V. Wright acknowledged that these documents were important for understanding the relationship between the Strategic Plan, the goals for the upcoming year as stated in the Action Plan, the behind the scenes Organizational Competencies that ensure the Action Plan items can be achieved, and the proposed budget.

*C. Legislative Update—Diane Schiller*

Presentation: Senate Bill 1040 has passed through the Senate and is now being discussed in the House. This legislation deals with MPSERS whose unfunded liability is very large. A total of 19 library employees remain with the MPSERS retirement system. In order for these employees to retain their 1.5 multiplier after July 1, 2012, they will be required to pay 5% of their annual salary towards retirement or revert to a 1.25 multiplier for years to come. For employees who begin working after July 1<sup>st</sup>, 2012 and are a part of MPSERS, the average compensation they will be eligible for upon retirement will be reduced and some fringe benefits will be eliminated. This will not affect any future employees at the library, though, as every new employee from 1990 onwards has been part of MERS.

The other legislation that is currently making its way through the House, which would have a larger effect on the library, is the legislation pertaining to both commercial and industrial personal property tax. These bills would slowly phase out personal property tax by the end of 2015 and would result in a loss of around one million dollars to the library. The first entities to become exempt would be commercial and industrial single owner entities owing less than \$40,000. The properties which are already exempt for other reasons will remain exempt over the coming years. By December 31, 2015, every entity will be exempt from personal property tax. Reimbursement for these losses has a 2% threshold. No organization who receives money from personal property tax will be eligible for reimbursement until their general operating fund has been decreased by more than 2%.

Disposition: Trustees thanked D. Schiller for her report.

*D. Local History Digitization Projects—Beth Timmerman*

Presentation: B. Timmerman shared a report on the recent digitization projects the Local History Room is commissioning. The Local History Room has begun digitizing the *Kalamazoo Telegraph* which ran from the 1860s to 1916 before being bought out by the *Kalamazoo Gazette*. The library possesses the master's for the microfilm for this newspaper. This means that the result of the digital copies will be both less expensive to produce and will provide a clearer image. Lakeshore Document is completing the digitization process and is also currently hosting these documents. B. Timmerman

demonstrated how to complete a search and how simple it will be for library staff and patrons to locate information. Also being digitized is the *Progressive Herald*, a newspaper that ran for one year around 1913, and the *Grand Army Memorial Book* which contains information on people from the Kalamazoo area who served in the Civil War. The latter publication has been often in storage since it is too valuable to be made available in the Local History Room; staff are excited that this information will soon be readily accessible.

KPL is also partnering with the Otsego District Library and the Ransom District Library to digitize the *Otsego Union Enterprise*. KPL has some of the original microfilm masters that will offer a high quality resolution. A great perk from this collaboration is the sharing of the costs of the project. Historical copies will be available online and those falling under copyright will be available for in-library use only as the result of an agreement the Otsego District Library has made with the newspaper.

Disposition: Trustees and meeting attendees thanked B. Timmerman for her interesting report.

*E. KPL App for Mobile Devices—Gary Green*

Presentation: G. Green presented the new KPL Mobile App available for Android, Blackberry and Apple products. This app can be used to place a hold, search the catalog, read blogs, look at new items, download e-books and e-audiobooks, get directions to the library, ask a librarian a question, and look at the event's calendar. The app ties to our Facebook, Twitter, Flickr and YouTube pages and with the "Book Look" locator, you can scan the barcode on a book and the app will tell you if the library owns it. This app is highly configurable, so as our services change and we receive feedback from patrons about the apps usability we can modify it.

Disposition: Trustees were very impressed with this app and thanked Gary for his presentation.

## VI. COMMITTEE REPORTS

- A. *Finance and Budget Committee*—the committee met earlier in the month of May to review the budgets presented earlier in this meeting. Now that this feat has been completed, they will likely not meet again until after the audit in September.
- B. *Personnel Committee*—the committee will be meeting in June with Director Rohrbaugh for her annual evaluation and to discuss other personnel items to be brought before the full Board at the June meeting. There will be a closed session to discuss the director's annual evaluation at the June Board Meeting.
- C. *Fund Development Committee*—no meeting
- D. *Director's Building Advisory Committee*—no meeting

## VII. OTHER BUSINESS

- A. *Director's Report*

Presentation: Director Rohrbaugh thanked the trustees who attended the ribbon cutting ceremony at the Oshtemo Township Park on May 19<sup>th</sup>. This is a wonderful park and partnership that has developed between Oshtemo Township and the Oshtemo

Branch. She looks forward to programs being held at the park in the future. Director Rohrbaugh drew attention to the Friend's membership drive that is taking place and encouraged trustees to become members if they were not already and share membership information with their friends and families. Brochures about membership were distributed to the trustees and President Godfrey seconded this challenge. Director Rohrbaugh told the trustees that May's *First Saturday@KPL* with the Kalamazoo Literacy Center went well and that for June the library will be partnering with Kalamazoo Public Schools. Lastly, she reminded trustees that Summer Reading Games will begin on June 13<sup>th</sup> and that the challenge will be for participants to read 20 minutes per day.

Discussion: J. Vander Roest inquired as to who on staff he should talk to about an adult who needed help reading. Director Rohrbaugh answered that Andrea Enyedi would be the contact person or that he should contact the Kalamazoo Literacy Council directly.

#### VIII. PERSONS REQUESTING TO ADDRESS THE BOARD

No one addressed the board.

#### IX. COMMENTS BY TRUSTEES

- J. Vander Roest confessed that he had been distracted during Gary's presentation playing with the new KPL mobile app. He told Gary it was very cool and thanked him for his work.
- R. Brown was impressed with the Oshtemo Township Park at the ribbon cutting and thinks it is good that the library and park are connected.
- F. Brown asked how it was decided where copies of *Into the Beautiful North* were being sent. M. Cockrell answered that the library was working with the Hispanic American Council and parents of children at El Sol Elementary. The books were also offered to the San Diego Public Library who will also have a community read event centered on this book.
- C. TenBrink thanked Director Rohrbaugh, J. Cornell, M. Fritz, and K. Howard for hosting a program for members of her Delta Kappa Gamma sorority at the library.
- V. Wright mentioned that she had heard Luis Urrea on NPR recently.
- L. Godfrey was pleased to be at the YWCA Women of Achievement dinner to honor Bobbe Luce. She also mentioned her appreciation of the partnership we have with the Oshtemo Township Park and encouraged people to visit this extensive facility.

#### X. EXECUTIVE SESSION

President Godfrey asked for a motion to move to closed session to conduct a discussion on the ongoing union negotiations and asked that Director Rohrbaugh, D. Schiller, and T. New stay.

##### MOTION:

J. VANDER ROEST MOVED AND C. TENBRINK SUPPORTED THE MOTION TO MOVE TO CLOSED SESSION TO DISCUSS THE ONGOING NEGOTIATIONS WITH KPLA AND KPLSP.

**Roll Call Vote:** J. Vander Roest—yes; R. Brown—yes; F. Brown—yes; C. TenBrink—yes; V. Wright—yes; L. Godfrey—yes.

MOTION CARRIED 6-0.



Trustees moved to closed session at 5:24 p.m.

**MOTION:**

J. VANDER ROEST MOVED AND C. TENBRINK SUPPORTED THE MOTION TO RETURN TO OPEN SESSION.

**Roll Call Vote:** J. Vander Roest—yes; R. Brown—yes; F. Brown—yes; C. TenBrink—yes; V. Wright—yes; L. Godfrey—yes.

**MOTION CARRIED 6-0.**



Trustees moved to open session at 5:41 p.m.

**XI. DISCUSSION**

The Trustees moved from closed session to open session to discuss the health insurance possibilities available to non-union employees. Priority Health will not cover the small group of administrators and supervisory-technical employees if the unions decided to stay with MESSA insurance. T. New and D. Schiller therefore obtained quotes for this small group of employees from other carriers. Blue Cross Blue Shield gave the library a quote which came in under the cap for a high deductible HSA health plan. The main disadvantage to the Blue Cross Blue Shield plan is that the benefit year runs from the first of January to the end of December and employees will be responsible for their full deductible for the shortened time between when the insurance switch is made and the end of the year, similar to that of MESSA. Main advantages are that the rate comes in under the cap and would allow the library to fund part of each employee's HSA and, secondly, it would allow the library to disconnect certain peripheral benefits (such as vision insurance and long-term disability) from health insurance for additional savings. These benefits would continue to be provided for employees but through a different provider than the health insurance provider. Uncoupling these different benefits would make additional money available to each employee to assist them in funding their HSA.

Discussion was raised about how this option would be offered to the non-union employees. Due to the approaching end of the current fiscal year and ongoing negotiations, it is very likely that every employee will roll over into the next fiscal year under the current MESSA plan before any possible changes can be decided upon. T. New and D. Schiller hope to be providing information about this option to the non-union employees soon.

**XII. ADJOURNEMENT**

Hearing no objection, President Godfrey adjourned the meeting at 6:03 p.m.

**X**

---

Robert Brown  
Secretary